SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1992

OR

BER 22606

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 33-23070

AST HOLDING CORPORATION
(Exact name of Registrant as specified in its charter)

Delaware	13-3465896
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1114 Avenue of the Americas, New York, N.Y.	10036
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (212) 703-5100

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No _____

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, $.01 par value, outstanding at April 30, 1992	25,092,972 (shares)

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PART 1. FINANCIAL INFORMATION

Item 1. Financial Statements

ASI HOLDING CORPORATION AND SUBSIDIARIES
SUMMARY STATEMENT OF OPERATIONS

ASI HOLDING CORPORATION ("Holding") is a Delaware corporation organized in March 1988, and it has as its only investment all the outstanding common stock of American Standard Inc. Hereinafter, "the Company" will refer to Holding or to its subsidiary, American Standard Inc., as the context requires.

The following summary statement of operations of the Company and subsidiaries for the three months ended March 31, 1992 and 1991 has not been audited by independent public accountants, but management believes that all adjustments, including normal recurring accruals, necessary to a fair statement for those periods have been included. Results for the three month period of 1992 are not necessarily indicative of the results for the entire year.

	(Unaudited) (Dollars in millions, except per share amounts) Three months ended March 31,	
	1992	1991
SALES	$ 901.0	$ 857.5
COSTS AND EXPENSES		
Cost of sales	672.0	643.9
Selling and administrative expenses	164.6	155.4
Other expense	2.8	4.7
Interest expense	69.7	74.8
	909.1	878.8
LOSS BEFORE INCOME TAXES AND CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING METHODS	(8.1)	(21.3)
Income taxes	5.5	7.8
NET LOSS BEFORE CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING METHODS	(13.6)	(29.1)
Cumulative effects of changes in accounting methods	-	(32.3)
NET LOSS	(13.6)	(61.4)
Preferred stock dividend	(3.7)	(3.3)
NET LOSS APPLICABLE TO COMMON SHARES	$ (17.3)	$ (64.7)
Loss Per Common Share:		
Loss from continuing operations before cumulative effects of changes in accounting methods	$ (.74)	$ (1.39)
Cumulative effect of changes in accounting methods	-	(1.38)
NET LOSS PER COMMON SHARE	$ (.74)	$ (2.77)
Average number of outstanding common shares and equivalents	23,339,253	23,242,911

See accompanying notes.

Item 1. Financial Statements (continued)

ASI HOLDING CORPORATION AND SUBSIDIARIES

SUMMARY BALANCE SHEET
(Dollars in millions)

	March 31, 1992 (Unaudited)	December 31, 1991
CURRENT ASSETS		
Cash and certificates of deposit	$ 41.3	$ 105.4
Cash in escrow	2.2	2.6
Accounts receivable	543.9	469.3
Inventories	483.6	442.6
Other current assets	35.2	31.0
TOTAL CURRENT ASSETS	1,106.2	1,050.9
FACILITIES, less accumulated depreciation: March 1992 - $292.3 Dec. 1991 - $293.9	833.0	865.3
GOODWILL	1,144.6	1,208.4
OTHER ASSETS	151.1	145.9
	$3,234.9	$3,270.5
CURRENT LIABILITIES		
Short-term borrowings	$ 74.5	$ 63.2
Current maturities of long-term debt	166.2	119.0
Accounts payable	276.1	292.8
Accrued payrolls	110.6	109.6
Other accrued liabilities	258.4	225.2
Taxes on income	30.7	12.7
TOTAL CURRENT LIABILITIES	916.5	822.5
LONG-TERM DEBT	1,908.0	1,998.1
OTHER LIABILITIES	666.8	682.4
TOTAL LIABILITIES	3,491.3	3,503.0
Exchangeable preferred stock	121.2	117.5
STOCKHOLDERS' DEFICIT		
Common stock & capital surplus	203.1	203.9
ESOP shares	(13.6)	(15.0)
Subscriptions receivable	(4.0)	(4.0)
Accumulated deficit	(497.8)	(484.2)
Foreign currency translation effects	(65.3)	(50.7)
TOTAL STOCKHOLDERS' DEFICIT	(377.6)	(350.0)
	$3,234.9	$3,270.5

See accompanying notes.

ASI HOLDING CORPORATION AND SUBSIDIARIES
SUMMARY STATEMENT OF CASH FLOWS
(Dollars in millions)

	(Unaudited) Three months ended March 31,	
	1992	1991
Cash provided (used) by operating activities		
Income-related:		
Loss before cumulative effects of changes in accounting methods	(13.6)	$ (29.1)
Depreciation	27.4	28.5
Amortization of goodwill	8.1	8.9
Non-cash interest	15.8	13.8
Accrued interest	22.1	21.6
Amortization of debt issuance costs	1.0	1.6
Non-cash stock compensation	6.5	6.8
	67.3	52.1
Changes in working capital invested in operations	(125.4)	(88.0)
Timing differences in funding, primarily income taxes	1.2	(25.4)
Net cash flow used by operating activities	(56.9)	(61.3)
Investing activities:		
Purchase of property, plant and equipment	(17.3)	(17.2)
Proceeds from disposals of property, plant and equipment	3.0	2.5
	(14.3)	(14.7)
Financing activities:		
Repayment of term loan	-	(25.0)
Use of revolver	8.0	83.0
Net change in short-term debt	6.3	(4.6)
Net change in other long-term debt	(1.5)	(3.0)
Common stock repurchases	(2.9)	(1.9)
	9.9	48.5
Decrease in cash and certificates of deposit excluding translation effects	(61.3)	(27.5)
Effect of exchange rate changes on cash and certificates of deposit	(2.8)	(1.3)
Net decrease in cash and certificates of deposit	$ (64.1)	$ (28.8)

See accompanying notes.

ASI HOLDING CORPORATION AND SUBSIDIARIES
NOTE TO SUMMARY FINANCIAL STATEMENTS

Note 1. Changes in Accounting Methods

At the end of 1991 the Company adopted Statements of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" ("FAS 106"), and No. 109, "Accounting for Income Taxes" ("FAS 109"). The provisions of FAS 106 were applied effective as of January 1, 1991, and the Company adopted the provisions of FAS 109 retroactively to the year ended December 31, 1989. As a result of these accounting changes, the previously reported net loss for the three months ended March 31, 1991, was restated as follows:

	(Dollars in millions) Three months ended March 31, 1991
Net loss as previously reported	$(49.3)
Adjustments for adoption of accounting changes-	
FAS 106:	
Cumulative effect through December 31, 1990, net of income tax benefit	(24.8)
FAS 109:	
Decrease in the provision for income taxes	8.2
Income tax benefit on the cumulative effect of the change in accounting for extended warranty contracts previously adopted in the first quarter of 1991	4.5
Net loss as restated	$(61.4)

In the first quarter of 1991 the Company adopted a change in accounting for extended warranty contracts to comply with the FASB Technical Bulletin, "Accounting for Separately Priced Extended Warranty and Product Maintenance Contracts". The $12 million cumulative effect on prior years (through December 31, 1990) of this change in accounting was recorded as a charge against income in the first quarter of 1991. In accordance with the provisions of FAS 109 the Company was able to record a tax benefit of $4.5 million against this charge.

Note 2. Pending Debt Offering

The Company has filed a Registration Statement with the Securities and Exchange Commission proposing to issue $400 million of Senior Notes and Senior Debentures. The proceeds of this offering will be used to pay down long-term debt under the Company's Credit Agreement with various banks. See Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources for more information.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

ASI Holding Corporation acquired American Standard Inc. on April 27, 1988. As a result of this acquisition, results of operations since that date include purchase price accounting adjustments and reflect a highly leveraged capital structure.

SUMMARY SEGMENT DATA
(Dollars in millions)
(Unaudited)

	Three months ended March 31,	
	1992	1991
SALES:		
Air Conditioning Products (a)	$ 404	$ 406
Plumbing Products	285	257
Transportation Products	212	194
Total sales	$ 901	$ 857
OPERATING INCOME:		
Air Conditioning Products (a)	$ 8	$ 14
Plumbing Products	26	20
Transportation Products	41	33
Total Operating Income	75	67
Financing and corporate items	83	88
Loss before income taxes and cumulative effects of changes in accounting methods	$ (8)	$ (21)

(a) In 1991 the Air Conditioning Products segment included sales of $30 million and operating income of $1 million from Tyler Refrigeration, which was sold in the third quarter of 1991.

Results of Operations: First Quarter of 1992 Compared with First Quarter of 1991

This section summarizes the Company's consolidated results of operations for the first quarter of 1992 and then discusses the results of its three operating segments. A substantial portion of Air Conditioning Products and Plumbing Products sales are for replacement and remodeling and, in the case of Plumbing Products, are outside the U.S. and Canada. Nevertheless, about 40% of Air Conditioning Products sales and 15% of Plumbing Products sales are affected by the level of residential and non-residential building activity, which remains very depressed in the U.S. and Canada. Housing starts in the U.S. have shown an improvement, which may indicate the start of a recovery.

Consolidated sales of $901 million increased by $44 million or 5% (8% excluding the effects of foreign exchange) from $857 million in the first quarter of 1991. Excluding the sales of Tyler Refrigeration from the 1991 first quarter, sales for the first quarter of 1992 increased by 9% (12% excluding foreign exchange effects). Sales increases of 11% in Plumbing Products and 9% in Transportation Products were the primary reasons for the gain. Sales for Air Conditioning Products were essentially flat for the first quarter of 1992 compared with the first quarter of 1991 including Tyler Refrigeration, but increased by $28 million, or 7% excluding Tyler Refrigeration.

Operating income of $75 million for the first quarter of 1992 increased by $8 million, or 12% (19% excluding the effects of foreign exchange) from $67 million of the first quarter of 1991. Excluding Tyler Refrigeration, operating income increased by $9 million or 14% (21% excluding the effects of foreign exchange). Increases in operating income for Transportation Products of 24% and for Plumbing Products of 30% were partly offset by a 43% decline in operating income for Air Conditioning Products.

Except as otherwise indicated, the following discussion, including the financial comparisons, does not include the results of Tyler Refrigeration.

Sales of Air Conditioning Products during the first quarter of 1992 increased by 7% (8% excluding the effects of foreign exchange) to $404 million from $376 million in the 1991 quarter, despite the continuing recession in U.S. and Canadian commercial and residential new construction. The increase was primarily due to higher volume for the International Group, principally in the Far East and Southeast Asia and for the Commercial Systems Group. The Unitary Products Group also experienced increases in sales volume in both residential and light commercial products.

Despite the higher volumes, operating income of Air Conditioning Products decreased by 38% (50% excluding the effects of foreign exchange) to $8 million from $13 million in the first quarter of 1991. The decline was primarily attributable to the Company's European operations which incurred nonrecurring costs related to the start-up of new facilities in France and England, costs of sales office expansion in Spain, France, and the U.K., and higher product development costs. The effects of volume increases in both the Commercial Systems Group and the Unitary Products Group were offset by a decrease in operating margins caused by competitive pricing pressures and changes in product mix.

Sales of Plumbing Products increased by 11% (15% excluding the effects of foreign exchange) to $285 million from $257 million in the 1991 quarter. The improvement resulted from a sales increase for the European Plumbing Products Group of 8% (15% excluding effect of foreign exchange), a 16% increase for the U.S. Plumbing Products Group and an increase for the International and Export Group of 14% (16% excluding the effects of foreign exchange). Gains for the European Group resulted primarily from increases in volumes and prices in Italy, increased product demand in eastern Germany and increased construction of low-cost housing throughout Germany and, to a lesser extent, from recovering demand in the depressed U.K. market. Increased sales for the U.S. Group reflected volume increases for products introduced in 1991. Sales increased in the International and Export Group primarily because of higher sales volumes in Mexico and Korea and in exports from the U.S.

Operating income during the first quarter of 1992 for Plumbing Products increased 30% (44% excluding the effects of foreign exchange) to $26 million from $20 million in the first quarter of 1991. The increase, which was primarily attributable to volume and margin improvements in Italy and, to a lesser extent, improvements due to higher volume for Korea and U.S. export sales, was partly offset by lower profitability in Canada resulting from the continuing recession, and in the Philippines where a two-week strike reduced productivity. Despite higher sales volume, operating income for the U.S. Group was up only slightly because of lower margins resulting from product mix changes and competitive pricing pressures.

Sales of Transportation Products increased 9% (16% excluding the effects of foreign exchange) to $212 million from $194 million in the 1991 quarter . The increase resulted from higher European vehicle production and higher sales of electronic automotive control products and spare parts. The market in Germany continues to be particularly strong as a result of the country's reunification. Sales were also higher in most other countries in Europe.

Operating income for Transportation Products increased 24% (41% excluding foreign exchange effects) to $41 million from $33 million in the first quarter of 1991. The substantial increase was due to higher sales volume, cost reductions, and increases in efficiency.

Financial Review

The Company's financing and corporate items for the first quarter of 1992 were $83 million, down from $88 million in the 1991 quarter. Interest expense, which accounted for most of these costs, decreased because of lower debt levels and the effects of foreign exchange.

The tax provision for the first quarter of 1992 was $6 million despite a pre-tax loss of $8 million. This reflects taxes payable on profitable foreign operations offset partly by a domestic tax benefit, as certain items on which deferred taxes had previously been provided became includable in taxable income and the deferred taxes were reversed. A similar pattern resulted in a tax provision of $8 million for the first quarter of 1991 despite a pre-tax loss for that quarter of $21 million. The unusual relationship between the pre-tax loss and the tax provision is explained by the non-deductibility for tax purposes of the amortization of goodwill and other purchase accounting adjustments and the share allocations made by the ESOP, as well as rate differences and withholding taxes with respect to foreign earnings.

At the end of 1991 the Company chose to adopt FASB Statement Nos. 106 — Employer's Accounting for Postretirement Benefits Other Than Pensions, and 109 — Accounting for Income Taxes ("FAS 106" and "FAS 109"). The effects of those accounting changes were first reflected in the financial statements for the year ended December 31, 1991. See Notes to Summary Financial Statements for a description of the effects of adoption of these accounting changes.

Liquidity and Capital Resources

Net cash flow used by operations in the first quarter of 1992 was $57 million, reflecting a seasonal increase in working capital which was met by using cash on hand at December 31, 1991, cash generated by income-related operating activities, and to a certain extent through the use of overdraft facilities outside the United States.

The Company has filed a Registration Statement with the Securities and Exchange Commission proposing to issue $150 million of Senior Notes due 1999 and $250 million of Senior Debentures due 2004 (the "Senior Securities"). The net proceeds of this offering with other funds of the Company will be used to pay down $400 million of long-term bank borrowings under the Company's Credit Agreement with various banks. The banks have agreed that 50% of any proceeds of the offering in excess of $300 million may be used for general corporate purposes including the purchase of the Senior Subordinated Debentures and the Discount Debentures. After giving effect to this offering and the application of the proceeds thereof, with other funds of the Company, approximately $20 million of scheduled principal payments on long-term debt will be due in 1992 and $73 million in 1993. In June 1993 the Company will be required to commence cash payments of interest of approximately $78 million annually on the Discount Debentures and cash dividends of approximately $18 million annually on the Company's Exchangeable Preferred Stock. The Company believes that after giving effect to the application of proceeds from the proposed offering and the amounts available from operating cash flows and under the Revolving Credit Facility will be sufficient to meet its expected cash needs at least through 1993, including planned capital expenditures.

The Credit Agreement contains various covenants that limit, among other things, indebtedness, dividends, rental expense, liens, capital expenditures, the use of proceeds from asset sales, and certain other business activities and require the Company to meet certain financial tests. Although the Company is currently in compliance with the covenants and restrictions contained in the Credit Agreement there have been a number of amendments to the Credit Agreement and waivers of its provisions, and additional amendments may be required in the future to ensure continued compliance. No assurance can be given that such amendments and waivers will be granted by the banks.

In March 1992 the Company obtained amendments to the Credit Agreement (the effectiveness of which, except for the amendments relaxing certain financial tests and covenants which have become effective, is subject to certain conditions), which among other things included: permitting the issuance of the Senior Securities; specifying the use of the proceeds therefrom; permitting a reorganization of certain foreign subsidiaries; and relaxing certain financial tests and covenants.

In addition, subject to the sale of at least $200 million of Senior Securities and receipt of requisite bank approval, the Revolving Credit Facility (the "Revolver") will be extended from June 1993 to June 1996. However, if less than $300 million of term loans outstanding under the Credit Agreement is prepaid by September 1993, the Revolver would only be extended to June 1994. (The $300 million prepayment condition will be satisfied concurrently with the Senior Securities offering by application of the proceeds of the offering.) In connection with the extension the Revolver will be reduced to $200 million from $250 million. As of March 31, 1992, there was $124 million available under the Revolver after reduction for $68 million of letters of credit outstanding thereunder (and assuming the effectiveness of the amendment reducing the Revolver to $200 million). In addition the Company's foreign subsidiaries had $166 million available under overdraft facilities. These foreign facilities can be withdrawn at any time.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits.

None.

(b) Reports on Form 8-K for the quarter ended March 31, 1992.

None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASI HOLDING CORPORATION

By: /s/ G. Ronald Simon
G. Ronald Simon
(Vice President and Controller)
(also signing as Principal
Accounting Officer)

May 7, 1992

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ASI HOLDING CORPORATION

By: _____
G. Ronald Simon
(Vice President and Controller)
(also signing as Principal
Accounting Officer)

May 7, 1992